

Executive Summary – Enforcement Matter – Case No. 43196
Occidental Chemical Corporation
RN100211176
Docket No. 2011-2362-AIR-E

Order Type:

Findings Agreed Order

Findings Order Justification:

Unauthorized emissions which are excessive emissions events.

Media:

AIR

Small Business:

No

Location(s) Where Violation(s) Occurred:

Oxychem Ingleside Plant, 4133 Highway 361, Gregory, San Patricio County

Type of Operation:

Chemical manufacturing plant

Other Significant Matters:

Additional Pending Enforcement Actions: No

Past-Due Penalties: No

Other: N/A

Interested Third-Parties: None

Texas Register Publication Date: May 11, 2012

Comments Received: No

Penalty Information

Total Penalty Assessed: \$10,000

Amount Deferred for Expedited Settlement: \$0

Amount Deferred for Financial Inability to Pay: \$0

Total Paid to General Revenue: \$5,000

Total Due to General Revenue: \$0

Payment Plan: N/A

SEP Conditional Offset: \$5,000

Name of SEP: Texas A&M University - Corpus Christi AutoCheck Program

Compliance History Classifications:

Person/CN - Average

Site/RN - Average

Major Source: Yes

Statutory Limit Adjustment: \$2,800

Applicable Penalty Policy: September 2002

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Occidental Chemical Corporation
RN100211176
Docket No. 2011-2362-AIR-E

Investigation Information

Complaint Date(s): N/A

Complaint Information: N/A

Date(s) of Investigation: August 15, 2011

Date(s) of NOE(s): November 28, 2011

Violation Information

Failed to prevent unauthorized emissions. Since this emissions event could have been avoided through better maintenance practices, Respondent is precluded from asserting the affirmative defense under 30 TEX. ADMIN. CODE § 101.222 [Federal Operating Permit No. O1240, Special Terms and Conditions No. 18, New Source Review Permit No. 19169, Special Conditions No. 1, 40 CODE OF FEDERAL REGULATIONS §§ 63.6(e) and 61.12(c), 30 TEX. ADMIN. CODE §§ 101.20(2) and 116.115(c), and TEX. HEALTH & SAFETY CODE § 382.085(b)].

Corrective Actions/Technical Requirements

Corrective Action(s) Completed:

Respondent submitted a Corrective Action Plan (“CAP”) on January 12, 2012 to address the emissions event (Incident No. 153826) that began on April 27, 2011.

Technical Requirements:

1. The Order will require Respondent to implement and complete a Supplemental Environmental Project (“SEP”). (See SEP Attachment A)
2. The Order will also require Respondent to:
 - a. Respond completely and adequately, as determined by the Executive Director, to all written requests for information concerning the submitted CAP within 15 days after the date of such requests, or by any other deadline specified in writing;
 - b. Upon Commission approval, implement the CAP in accordance with the approved schedule;
 - c. Upon completion of CAP implementation, submit written certification to demonstrate compliance with Ordering Provisions a. and b.

Litigation Information

Date Petition(s) Filed: N/A

Date Answer(s) Filed: N/A

SOAH Referral Date: N/A

Hearing Date(s): N/A

Settlement Date: N/A

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Contact Information

TCEQ Attorney: N/A

TCEQ Enforcement Coordinator: Rebecca Johnson, Enforcement Division,
Enforcement Team 5, MC R-14, (361) 825-3423; Debra Barber, Enforcement Division,
MC 219, (512) 239-0412

TCEQ SEP Coordinator: Stuart Beckley, SEP Coordinator, Enforcement Division,
MC 219, (512) 239-3565

Respondent: Thomas F. Feeney, Senior Vice President of Manufacturing,
Engineering, & Technology, Occidental Chemical Corporation, P.O. Drawer CC,
Ingleside, Texas 78362-0710
Paul Thomas, Plant Manager, Occidental Chemical Corporation, P.O. Drawer CC,
Ingleside, Texas 78362-0710

Respondent's Attorney: N/A

Attachment A
Docket Number: 2011-2362-AIR-E

SUPPLEMENTAL ENVIRONMENTAL PROJECT

Respondent:	Occidental Chemical Corporation
Penalty Amount:	Ten Thousand Dollars (\$10,000)
SEP Offset Amount:	Five Thousand Dollars (\$5,000)
Type of SEP:	Pre-approved
Third-Party Recipient:	Texas A&M University-Corpus Christi
Project Name:	Texas A&M University AutoCheck Program
Location of SEP:	Nueces and San Patricio Counties

The Texas Commission on Environmental Quality ("TCEQ") agrees to offset the Penalty Amount assessed in this Agreed Order for the Respondent to contribute to a Supplemental Environmental Project ("SEP"). The offset is equal to the SEP Offset Amount set forth above and is conditioned upon completion of the project in accordance with the terms of this Attachment A.

1. Project Description

a. Project

The Respondent shall contribute the SEP Offset Amount to the Third-Party Recipient named above. The contribution will be to the *Texas A&M University-Corpus Christi* for the *Texas A&M University-Corpus Christi AutoCheck Program SEP* to be used as set forth in an agreement between the Third-Party Recipient and the TCEQ (the "Project"). Specifically the SEP Offset Amount shall be used to only pay for the repair vouchers, equipment maintenance, mobile emission source inventory, and a program operator. The operator shall only work on the AutoCheck Program. The Project involves a remote sensing system that detects polluting vehicles as they drive past the system. Motorists are informed if their vehicles are polluting via a large electronic sign. When a vehicle is found to have high exhaust emissions, the owner is given a voucher to take the vehicle for a checkup at one of the program's certified auto shops. The vehicle owner may choose the approved auto shop from a list composed by the Third-Party Recipient. Mechanics at the auto shop thoroughly check the vehicle and determine the problem. The mechanic reports the problem to the Third-Party Administrator who authorizes the recommended repairs. Once the vehicle is repaired, a post-repair test is conducted to document the reduction in emissions. These activities are performed at no cost to the owner of the vehicle. Pre- and post- emissions tests are performed and tracked and the service stations are reimbursed for their expenses.

Occidental Chemical Corporation
Agreed Order - Attachment A

All dollars contributed will be used solely for the direct cost of the Project and no portion will be spent on administrative costs. The SEP will be done in accordance with all federal, state and local environmental laws and regulations.

The Respondent's signature affixed to this Agreed Order certifies that it has no prior commitment to make this contribution and that it is being contributed solely in an effort to settle this enforcement action.

b. Environmental Benefit

This SEP will provide a discernible environmental benefit by providing a direct reduction in air emissions from vehicles in the Corpus Christi Urban Air Shed. This direct area includes Nueces County and part of San Patricio County.

c. Minimum Expenditure

The Respondent shall contribute at least the SEP Offset Amount to the Third-Party Recipient and comply with all other provisions of this SEP.

2. Performance Schedule

Within 30 days after the effective date of this Agreed Order, the Respondent shall contribute the SEP Offset Amount to the Third-Party Recipient. The Respondent shall mail the contribution, with a copy of the Agreed Order to:

Texas A&M University - Corpus Christi
Pollution Prevention Partnership
Attention: Gretchen Arnold
6300 Ocean Drive, NRC #2200
Corpus Christi, Texas 78412

3. Records and Reporting

Concurrent with the payment of the SEP Offset Amount, the Respondent shall provide the TCEQ Enforcement Division SEP Coordinator with a copy of the check and transmittal letter indicating full payment of the SEP Offset Amount to the Third-Party Recipient. The Respondent shall mail a copy of the check and transmittal letter to:

Texas Commission on Environmental Quality
Enforcement Division
Attention: SEP Coordinator, MC 219
P.O. Box 13087
Austin, Texas 78711-3087

4. Failure to Fully Perform

If the Respondent does not perform its obligations under this SEP in any way, including full payment of the SEP Offset Amount and submittal of the required reporting described in Section 3 above, the Executive Director may require immediate payment of all or part of the SEP Offset Amount.

In the event of incomplete performance, the Respondent shall submit a check for any remaining amount due made payable to "Texas Commission on Environmental Quality" with the notation "SEP Refund" and the docket number of the case, and shall mail it to:

Texas Commission on Environmental Quality
Office of Legal Services
Attention: SEP Coordinator, MC 175
P.O. Box 13087
Austin, Texas 78711-3087

5. Publicity

Any public statements concerning this SEP made by or on behalf of the Respondent must include a clear statement that the Project was performed as part of the settlement of an enforcement action brought by the TCEQ. Such statements include advertising, public relations, and press releases.

6. Clean Texas Program

The Respondent shall not include this SEP in any application made to TCEQ under the "Clean Texas" (or any successor) program(s). Similarly, the Respondent may not seek recognition for this contribution in any other state or federal regulatory program.

7. Other SEPs by TCEQ or Other Agencies

The SEP Offset Amount identified in this Agreed Order has not been, and shall not be, included as a SEP for the Respondent under any other Agreed Order negotiated with the TCEQ or any other agency of the state or federal government.



Penalty Calculation Worksheet (PCW)

Policy Revision 2 (September 2002)

PCW Revision October 30, 2008

TCEQ

DATES	Assigned	28-Nov-2011	Screening	8-Dec-2011	EPA Due	17-Aug-2012
	PCW	8-Dec-2011				

RESPONDENT/FACILITY INFORMATION

Respondent	Occidental Chemical Corporation		
Reg. Ent. Ref. No.	RN100211176		
Facility/Site Region	14-Corpus Christi	Major/Minor Source	Major

CASE INFORMATION

Enf./Case ID No.	43196	No. of Violations	1
Docket No.	2011-2362-AIR-E	Order Type	Findings
Media Program(s)	Air	Government/Non-Profit	No
Multi-Media		Enf. Coordinator	Rebecca Johnson
		EC's Team	Enforcement Team 5
Admin. Penalty \$ Limit Minimum	\$0	Maximum	\$10,000

Penalty Calculation Section

TOTAL BASE PENALTY (Sum of violation base penalties)	Subtotal 1	\$10,000
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ADJUSTMENTS (+/-) TO SUBTOTAL 1

Subtotals 2-7 are obtained by multiplying the Total Base Penalty (Subtotal 1) by the indicated percentage.

Compliance History	28.0% Enhancement	Subtotals 2, 3, & 7	\$2,800
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Notes: Enhancement for three NOV's with same/similar violations and seven NOV's with dissimilar violations. Reduction for one Notice of Intent to conduct an audit.

Culpability	No	0.0% Enhancement	Subtotal 4	\$0
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Notes: The Respondent does not meet the culpability criteria.

Good Faith Effort to Comply Total Adjustments	Subtotal 5	\$0
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Economic Benefit	0.0% Enhancement*	Subtotal 6	\$0
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Total EB Amounts \$655
Approx. Cost of Compliance \$10,000
*Capped at the Total EB \$ Amount

SUM OF SUBTOTALS 1-7	Final Subtotal	\$12,800
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OTHER FACTORS AS JUSTICE MAY REQUIRE	0.0%	Adjustment	\$0
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Reduces or enhances the Final Subtotal by the indicated percentage.

Notes:

Final Penalty Amount	\$12,800
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STATUTORY LIMIT ADJUSTMENT	Final Assessed Penalty	\$10,000
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DEFERRAL	0.0% Reduction	Adjustment	\$0
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Reduces the Final Assessed Penalty by the indicated percentage. (Enter number only; e.g. 20 for 20% reduction.)

Notes:

No deferral is recommended for Findings Orders.

PAYABLE PENALTY	\$10,000
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Screening Date 8-Dec-2011

Docket No. 2011-2362-AIR-E

PCW

Respondent Occidental Chemical Corporation

Policy Revision 2 (September 2002)

Case ID No. 43196

PCW Revision October 30, 2008

Reg. Ent. Reference No. RN100211176

Media [Statute] Air

Enf. Coordinator Rebecca Johnson

Compliance History Worksheet

>> Compliance History Site Enhancement (Subtotal 2)

Component	Number of...	Enter Number Here	Adjust.
NOVs	Written notices of violation ("NOVs") with same or similar violations as those in the current enforcement action (<i>number of NOVs meeting criteria</i>)	3	15%
	Other written NOVs	7	14%
Orders	Any agreed final enforcement orders containing a denial of liability (<i>number of orders meeting criteria</i>)	0	0%
	Any adjudicated final enforcement orders, agreed final enforcement orders without a denial of liability, or default orders of this state or the federal government, or any final prohibitory emergency orders issued by the commission	0	0%
Judgments and Consent Decrees	Any non-adjudicated final court judgments or consent decrees containing a denial of liability of this state or the federal government (<i>number of judgements or consent decrees meeting criteria</i>)	0	0%
	Any adjudicated final court judgments and default judgments, or non-adjudicated final court judgments or consent decrees without a denial of liability, of this state or the federal government	0	0%
Convictions	Any criminal convictions of this state or the federal government (<i>number of counts</i>)	0	0%
Emissions	Chronic excessive emissions events (<i>number of events</i>)	0	0%
Audits	Letters notifying the executive director of an intended audit conducted under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (<i>number of audits for which notices were submitted</i>)	1	-1%
	Disclosures of violations under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (<i>number of audits for which violations were disclosed</i>)	0	0%
Please Enter Yes or No			
Other	Environmental management systems in place for one year or more	No	0%
	Voluntary on-site compliance assessments conducted by the executive director under a special assistance program	No	0%
	Participation in a voluntary pollution reduction program	No	0%
	Early compliance with, or offer of a product that meets future state or federal government environmental requirements	No	0%

Adjustment Percentage (Subtotal 2) 28%

>> Repeat Violator (Subtotal 3)

No

Adjustment Percentage (Subtotal 3) 0%

>> Compliance History Person Classification (Subtotal 7)

Average Performer

Adjustment Percentage (Subtotal 7) 0%

>> Compliance History Summary

Compliance History Notes

Enhancement for three NOVs with same/similar violations and seven NOVs with dissimilar violations. Reduction for one Notice of Intent to conduct an audit.

Total Adjustment Percentage (Subtotals 2, 3, & 7) 28%

Screening Date 8-Dec-2011

Docket No. 2011-2362-AIR-E

PCW

Respondent Occidental Chemical Corporation

Policy Revision 2 (September 2002)

Case ID No. 43196

PCW Revision October 30, 2008

Reg. Ent. Reference No. RN100211176

Media [Statute] Air

Enf. Coordinator Rebecca Johnson

Violation Number 1

Rule Cite(s)

Federal Operating Permit No. 01240, Special Terms and Conditions No. 18, New Source Review Permit No. 19169, Special Conditions No. 1, 40 Code of Federal Regulations §§ 63.6(e) and 61.12(c), 30 Tex. Admin. Code §§ 101.20(2) and 116.115(c), and Tex. Health & Safety Code § 382.085(b)

Violation Description

Failed to prevent unauthorized emissions, as documented during an August 15, 2011 record review. Specifically, the Respondent released 8,400 pounds ("lbs") of vinyl chloride monomer, 74 lbs of hydrogen chloride, 50 lbs of acetylene, and 4 lbs of ethylene dichloride from the emergency vent scrubber system during an avoidable emissions event (Incident No. 153826) that began on April 27, 2011, and lasted 54 minutes. The event was the result of a power loss to portions of the Vinyl Chloride Monomer Unit due to the incorrect operation of the distance protective relay on one of the Plant's transmission lines. Since this emissions event could have been avoided through better maintenance practices, the Respondent is precluded from asserting an affirmative defense under 30 Tex. Admin. Code § 101.222. This emissions event was determined to be excessive.

Base Penalty \$10,000

>> Environmental, Property and Human Health Matrix

OR

Release	Harm		
	Major	Moderate	Minor
Actual	x		
Potential			

Percent 100%

>> Programmatic Matrix

Falsification	Major	Moderate	Minor

Percent 0%

Matrix Notes

Human health or the environment has been exposed to an excessive amount of pollutants that exceeded protective levels as a result of the violation.

Adjustment \$0

\$10,000

Violation Events

Number of Violation Events 1

1 Number of violation days

mark only one
with an x

daily	x
weekly	
monthly	
quarterly	
semiannual	
annual	
single event	

Violation Base Penalty \$10,000

One daily event is recommended.

Good Faith Efforts to Comply

0.0% Reduction

\$0

Before NOV NOV to EDPRP/Settlement Offer

Extraordinary		
Ordinary		
N/A	x	(mark with x)

Notes The Respondent does not meet the good faith criteria for this violation.

Violation Subtotal \$10,000

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$655

Violation Final Penalty Total \$12,800

This violation Final Assessed Penalty (adjusted for limits) \$10,000

Economic Benefit Worksheet

Respondent Occidental Chemical Corporation
Case ID No. 43196
Reg. Ent. Reference No. RN100211176
Media Air
Violation No. 1

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
No commas or \$							

Delayed Costs

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)	\$10,000	27-Apr-2011	17-Aug-2012	1.31	\$655	n/a	\$655

Notes for DELAYED costs

Estimated cost to implement measures designed to prevent the recurrence of emissions events due to the same cause as Incident No. 153826. The date required is the date of the emissions event. The final date is the projected compliance date.

Avoided Costs

ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)

Disposal				0.00	\$0	\$0	\$0
Personnel				0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.00	\$0	\$0	\$0
Supplies/equipment				0.00	\$0	\$0	\$0
Financial Assurance [2]				0.00	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance

\$10,000

TOTAL

\$655

Compliance History

Customer/Respondent/Owner-Operator:	CN600125256 Occidental Chemical Corporation	Classification: AVERAGE	Rating: 5.36
Regulated Entity:	RN100211176 OXYCHEM INGLESIDE PLANT	Classification: AVERAGE	Site Rating: 0.98
ID Number(s):			
	INDUSTRIAL AND HAZARDOUS WASTE	EPA ID	TXD982286932
	INDUSTRIAL AND HAZARDOUS WASTE	SOLID WASTE REGISTRATION # (SWR)	38280
	INDUSTRIAL AND HAZARDOUS WASTE	PERMIT	50322
	AIR OPERATING PERMITS	ACCOUNT NUMBER	SD0092F
	AIR OPERATING PERMITS	PERMIT	1240
	AIR NEW SOURCE PERMITS	ACCOUNT NUMBER	SD0092F
	AIR NEW SOURCE PERMITS	PERMIT	35335
	AIR NEW SOURCE PERMITS	AFS NUM	4840900044
	AIR NEW SOURCE PERMITS	PERMIT	18432
	AIR NEW SOURCE PERMITS	PERMIT	2339A
	AIR NEW SOURCE PERMITS	PERMIT	19169
	AIR NEW SOURCE PERMITS	EPA ID	PSDTX776
	AIR NEW SOURCE PERMITS	REGISTRATION	71365
	AIR NEW SOURCE PERMITS	PERMIT	74185
	AIR NEW SOURCE PERMITS	REGISTRATION	74337
	AIR NEW SOURCE PERMITS	EPA ID	PSDTX880
	AIR NEW SOURCE PERMITS	REGISTRATION	79508
	AIR NEW SOURCE PERMITS	REGISTRATION	82050
	AIR NEW SOURCE PERMITS	REGISTRATION	10922A
	AIR NEW SOURCE PERMITS	REGISTRATION	11162
	AIR NEW SOURCE PERMITS	REGISTRATION	11184A
	AIR NEW SOURCE PERMITS	REGISTRATION	33375
	AIR NEW SOURCE PERMITS	REGISTRATION	33580
	AIR NEW SOURCE PERMITS	REGISTRATION	34359
	AIR NEW SOURCE PERMITS	REGISTRATION	90302
	AIR NEW SOURCE PERMITS	REGISTRATION	99350
	PETROLEUM STORAGE TANK REGISTRATION	REGISTRATION	62386
	WASTEWATER	PERMIT	WQ0003083000
	WASTEWATER	EPA ID	TX0104876
	WASTEWATER	EPA ID	TX0104876
	POLLUTION PREVENTION PLANNING	ID NUMBER	P00483
	AIR EMISSIONS INVENTORY	ACCOUNT NUMBER	SD0092F
Location:	4133 HWY 361, GREGORY, SAN PATRICIO COUNTY, TX		
TCEQ Region:	REGION 14 - CORPUS CHRISTI		

Date Compliance History Prepared: December 21, 2011

Agency Decision Requiring Compliance History: Enforcement

Compliance Period: December 21, 2006 to December 21, 2011

TCEQ Staff Member to Contact for Additional Information Regarding this Compliance History

Name: Rebecca Johnson Phone: (361) 825-3423

Site Compliance History Components

1. Has the site been in existence and/or operation for the full five year compliance period? YES
2. Has there been a (known) change in ownership/operator of the site during the compliance period? NO
3. If YES, who is the current owner/operator? N/A
4. If YES, who was/were the prior owner(s)/operator(s)? N/A
5. If YES, when did the change(s) in owner or operator occur? N/A
6. Rating Date: 9/1/2011 Repeat Violator: NO

Components (Multimedia) for the Site :

- A. Final Enforcement Orders, court judgments, and consent decrees of the State of Texas and the federal government.
N/A
- B. Any criminal convictions of the state of Texas and the federal government.
N/A
- C. Chronic excessive emissions events.
N/A
- D. The approval dates of investigations. (CCEDS Inv. Track. No.)

- 1 01/10/2007 (518726)
- 2 02/08/2007 (539065)
- 3 02/15/2007 (551185)
- 4 01/16/2007 (551188)
- 5 04/13/2007 (554885)
- 6 08/10/2007 (571816)
- 7 08/27/2007 (573512)
- 8 03/07/2007 (587829)
- 9 04/16/2007 (587830)
- 10 05/18/2007 (587831)
- 11 06/19/2007 (587832)
- 12 07/12/2007 (587833)
- 13 06/04/2007 (587834)
- 14 06/19/2007 (587835)
- 15 10/09/2007 (594101)
- 16 11/27/2007 (597169)
- 17 08/16/2007 (608587)

18	09/18/2007	(608588)
19	02/04/2008	(615026)
20	02/20/2008	(618586)
21	11/20/2007	(628694)
22	12/17/2007	(628695)
23	02/13/2008	(676496)
24	03/12/2008	(676497)
25	03/12/2008	(676498)
26	05/30/2008	(681261)
27	05/13/2008	(694964)
28	06/18/2008	(694965)
29	07/16/2008	(694966)
30	07/16/2008	(694967)
31	11/18/2008	(704931)
32	08/13/2008	(716465)
33	09/11/2008	(716466)
34	11/13/2008	(731937)
35	12/18/2008	(731938)
36	01/19/2009	(731939)
37	02/27/2009	(736897)
38	05/14/2009	(740937)
39	02/12/2009	(755320)
40	03/16/2009	(755321)
41	04/15/2009	(755322)
42	03/16/2009	(755323)
43	05/18/2009	(772408)
44	06/11/2009	(772409)
45	10/07/2009	(777124)
46	01/21/2010	(788835)
47	01/21/2010	(788853)
48	02/23/2010	(792322)

49	02/11/2010	(817255)
50	08/11/2009	(817256)
51	09/18/2009	(817257)
52	09/22/2009	(817258)
53	11/09/2009	(817259)
54	12/11/2009	(817260)
55	01/18/2010	(817261)
56	04/22/2010	(827921)
57	03/09/2010	(835279)
58	03/09/2010	(835280)
59	05/10/2010	(835281)
60	07/30/2010	(842569)
61	07/30/2010	(842691)
62	06/14/2010	(847616)
63	06/14/2010	(862020)
64	12/17/2010	(865527)
65	08/13/2010	(868594)
66	01/07/2011	(872046)
67	09/14/2010	(875488)
68	10/15/2010	(876802)
69	08/13/2010	(883027)
70	11/18/2010	(889447)
71	02/28/2011	(894905)
72	12/17/2010	(897810)
73	01/17/2011	(903698)
74	03/16/2011	(906091)
75	02/17/2011	(910598)
76	03/11/2011	(917860)
77	04/18/2011	(929572)
78	05/17/2011	(939556)
79	08/18/2011	(942345)

80 06/16/2011 (946967)

81 08/11/2011 (948655)

82 06/16/2011 (954228)

83 11/21/2011 (955633)

84 08/15/2011 (960807)

85 09/16/2011 (966889)

86 10/19/2011 (972873)

E. Written notices of violations (NOV). (CCEDS Inv. Track. No.)

Date: 10/09/2007 (594101) CN600125256

Self Report? NO Classification: Moderate

Citation: 19169, Special Condition 22E PERMIT
30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 122, SubChapter B 122.143(4)
FOP O-1240, Special Term & Condition 18A OP

Description: Failure to equip each open-ended valve or line with a cap, blind flange, plug, or a second valve.

Self Report? NO Classification: Moderate

Citation: 19169, Special Condition 5 PERMIT
30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 122, SubChapter B 122.143(4)
FOP O-1240, Special Term & Condition 18A OP

Description: Failure to prevent a permit limit exceedance of the average hourly carbon monoxide (CO) concentration in the incinerator stack.

Self Report? NO Classification: Moderate

Citation: 19169, Special Condition 13 PERMIT
30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 122, SubChapter B 122.143(4)
FOP O-1240, Special Term & Condition 18A OP

Description: Failure to continuously monitor the pH of the EPN VCM-2 scrubber system solution.

Date: 11/18/2008 (704931) CN600125256

Self Report? NO Classification: Moderate

Citation: (FOP No. O-1240] STC 18A OP
[PERMIT No. 19169] SC 5 PERMIT
30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 122, SubChapter B 122.143(4)
5C THSC Chapter 382 382.085(b)

Description: Failed to comply with special conditions of the permit. Specifically, Occidental Chemical Corporation failed to prevent a permit limit exceedance of the average hourly carbon monoxide (CO) concentration in the incinerator stack (EPN VCM-2) on August 10, 2007 at 14:00 hours to August 11, 2008 at 14:00 hours. During this period, the average hourly CO concentration in the incinerator stack exceeded the permit limit of 100 parts per million volume (ppmv).

Self Report? NO Classification: Moderate

Citation: [FOP No. O-1240] STC 18A OP
[Permit No. 19169] SC 18B PERMIT
30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 122, SubChapter B 122.143(4)
5C THSC Chapter 382 382.085(b)

Description: Failed to comply with special conditions of the permit. Specifically, Occidental Chemical Corporation failed to conduct the daily zero and span calibrations on the nitrogen oxide (NOx) and oxygen (O2) continuous emissions monitoring system (CEMS) on August 23 & 24, 2007. During this period, the daily zero and span calibrations on NOx and O2 CEMS for EPN VCM-21 were not performed.

Self Report? NO Classification: Moderate

Citation: (Permit No. 2339A) SC 1 PERMIT
[FOP No. O-1240] STC 18A OP

30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 122, SubChapter B 122.143(4)
5C THSC Chapter 382 382.085(b)

Description: Failed to prevent unauthorized emissions during the recordable emissions event that occurred on June 16, 2008 at 14:43 hours. Specifically, sandblasters inadvertently closed an instrument air valve which caused the chlorine seals to blow. Consequently, unauthorized emissions (0.61 lbs chlorine) were released.

Date: 04/22/2010 (827921) CN600125256
Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
30 TAC Chapter 305, SubChapter F 305.125(17)
Description: NON-RPT VIOS FOR MONIT PER OR PIPE

Date: 06/30/2010 (862020) CN600125256
Self Report? YES Classification: Moderate
Citation: 2D TWC Chapter 26, SubChapter A 26.121(a)
30 TAC Chapter 305, SubChapter F 305.125(1)
Description: Failure to meet the limit for one or more permit parameter

Date: 10/15/2010 (876802) CN600125256
Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
30 TAC Chapter 305, SubChapter F 305.125(17)
Description: NON-RPT VIOS FOR MONIT PER OR PIPE

Date: 11/30/2010 (897810) CN600125256
Self Report? YES Classification: Moderate
Citation: 2D TWC Chapter 26, SubChapter A 26.121(a)
30 TAC Chapter 305, SubChapter F 305.125(1)
Description: Failure to meet the limit for one or more permit parameter

Date: 12/17/2010 (865527) CN600125256
Self Report? NO Classification: Minor
Citation: 30 TAC Chapter 335, SubChapter A 335.6(c)
Description: Failure to immediately document any changes or additional information with respect to that originally provided.

Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 335, SubChapter A 335.6(c)
Description: Failure to provide written notification for all industrial solid waste management units.

Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 335, SubChapter C 335.69(d)(2)
40 CFR Chapter 262, SubChapter I, PT 262, SubPT C 262.34(c)(1)(ii)
Description: Failure to mark a container "hazardous waste" or label to identify the contents.

Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 335, SubChapter O 335.431(c)
40 CFR Chapter 268, SubChapter I, PT 268, SubPT E 268.50(a)(2)(i)
PP Section IV.B.5.a. Wastes PERMIT
PP. Section II.A.2. Duty to Comply PERMIT

Description: Failure to clearly mark containers inside a permitted container storage area with an accumulation start date.

Self Report? NO Classification: Major
Citation: 30 TAC Chapter 335, SubChapter F 335.152(a)(1)
40 CFR Chapter 264, SubChapter I, PT 264, SubPT C 264.13(b)
PP. Sec II.A. Standard Permit Conditions OP
PP. Section IV.A. Waste Analysis Plan OP

Description: Failure to follow the written Waste Analysis Plan and failure to maintain a current copy of the Waste Analysis Plan on-site as required.

Self Report? NO Classification: Minor
Citation: 30 TAC Chapter 335, SubChapter F 335.152(a)(1)
40 CFR Chapter 264, SubChapter I, PT 264, SubPT C 264.15(d)
PP. Sec. III.D. General Inspections OP
PP. Sec.II.A. Standard Permit Conditions OP

Description: Failure to include all required information in the inspection records.

Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 335, SubChapter F 335.152(a)(1)
40 CFR Chapter 264, SubChapter I, PT 264, SubPT C 264.15(a)
PP. Sec. II.A. Standard Permit Conditions OP
PP. Sec. III.D. General Inspections OP

Description: Failure to conduct permit required inspections.

Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 305, SubChapter F 305.125
PP. Sec II.A. Standard Permit Conditions OP
PP. Section V.A.1. Authorized Units. PERMIT

Description: Failure to display required signage on permitted unit.

Self Report? NO Classification: Minor
Citation: 30 TAC Chapter 335, SubChapter F 335.152(a)(1)
40 CFR Chapter 264, SubChapter I, PT 264, SubPT B 264.15(b)(1)
PP. Sec. III.D. General Inspections OP
PP. Sec. II. Standard Permit Conditions OP

Description: Failure to conduct inspections at the required frequency per the facility permit.

Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 335, SubChapter A 335.2

Description: Failure to obtain commission authorization prior to an activity of storage, processing, or disposal of industrial solid waste pursuant to 30 TAC 335.2.

Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 335, SubChapter A 335.4

TWC Chapter 26 26.121

Description: Failure to obtain commission authorization prior to an activity of collection, handling, storage, processing, or disposal of industrial solid waste pursuant to 30 TAC 335.4.

Self Report? NO Classification: Minor
Citation: 30 TAC Chapter 335, SubChapter A 335.10
40 CFR Chapter 262, SubChapter I, PT 262, SubPT B 262.20

Description: Failure to properly complete a uniform hazardous waste manifest.

Date: 01/10/2011 (872046) CN600125256

Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
30 TAC Chapter 122, SubChapter B 122.143(4)
5C THSC Chapter 382 382.085(b)
FOP 1240 STC 18A OP
NSR 19169 SC6 PERMIT

Description: Failed to comply with special conditions of the permit. Specifically, Occidental Chemical Corporation exceeded the permit limit in the special condition of the nitrogen oxides (NOx) emission rate (0.02lb/MMBTU) and lb per hour limit (2.59 lb/hr) at the combined VCM Furnace Stacks (EPN VCM-21) on December 18, 2009 at 14:00 hours to December 18, 2009 at 16:00 hours.

Date: 03/04/2011 (894905) CN600125256

Self Report? NO Classification: Minor
Citation: 30 TAC Chapter 335, SubChapter A 335.6(c)

Description: Failure to immediately document any changes or additional information with respect to that originally provided.

Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 335, SubChapter A 335.6(c)

Description: Failure to provide written notification for all industrial solid waste management units.

Self Report? NO Classification: Major
Citation: 30 TAC Chapter 335, SubChapter F 335.152(a)(1)
40 CFR Chapter 264, SubChapter I, PT 264, SubPT C 264.13(b)
PP. Sec II.A. Standard Permit Conditions OP
PP. Section IV.A. Waste Analysis Plan OP

Description: Failure to follow the written Waste Analysis Plan and failure to maintain a current copy of the Waste Analysis Plan on-site as required.

Self Report? NO Classification: Minor
Citation: 30 TAC Chapter 335, SubChapter F 335.152(a)(1)
40 CFR Chapter 264, SubChapter I, PT 264, SubPT C 264.15(d)
PP. Sec. III.D. General Inspections OP
PP. Sec. II.A. Standard Permit Conditions OP

Description: Failure to include all required information in the inspection records.
Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 335, SubChapter F 335.152(a)(1)
40 CFR Chapter 264, SubChapter I, PT 264, SubPT C 264.15(a)
PP. Sec. II.A. Standard Permit Conditions OP
PP. Sec. III.D. General Inspections OP

Description: Failure to conduct permit required inspections.
Self Report? NO Classification: Minor
Citation: 30 TAC Chapter 335, SubChapter F 335.152(a)(1)
40 CFR Chapter 264, SubChapter I, PT 264, SubPT B 264.15(b)(1)
PP. Sec. III.D. General Inspections OP
PP. Sec. II. Standard Permit Conditions OP

Description: Failure to conduct inspections at the required frequency per the facility permit.
Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 335, SubChapter A 335.2

Description: Failure to obtain commission authorization prior to an activity of storage, processing, or disposal of industrial solid waste pursuant to 30 TAC 335.2.

Self Report? NO Classification: Minor
Citation: 30 TAC Chapter 335, SubChapter A 335.10
40 CFR Chapter 262, SubChapter I, PT 262, SubPT B 262.20

Description: Failure to properly complete a uniform hazardous waste manifest.

Date: 08/19/2011 (942345) CN600125256
Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 305, SubChapter F 305.125(1)
Effluent Limitations-1., Pg.2 PERMIT
Description: Failure to comply with the effluent limitations as specified in the permit.

F. Environmental audits.

Notice of Intent Date: 11/21/2008 (721287)

No DOV Associated

G. Type of environmental management systems (EMSs).
N/A

H. Voluntary on-site compliance assessment dates.
N/A

I. Participation in a voluntary pollution reduction program.
N/A

J. Early compliance.
N/A

Sites Outside of Texas
N/A

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY



IN THE MATTER OF AN
ENFORCEMENT ACTION
CONCERNING
OCCIDENTAL CHEMICAL
CORPORATION
RN100211176

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BEFORE THE

TEXAS COMMISSION ON

ENVIRONMENTAL QUALITY

AGREED ORDER DOCKET NO. 2011-2362-AIR-E

At its _____ agenda, the Texas Commission on Environmental Quality ("the Commission" or "TCEQ") considered this agreement of the parties, resolving an enforcement action regarding Occidental Chemical Corporation ("the Respondent") under the authority of TEX. HEALTH & SAFETY CODE ch. 382 and TEX. WATER CODE ch. 7. The Executive Director of the TCEQ, through the Enforcement Division, and the Respondent presented this agreement to the Commission.

The Respondent understands that it has certain procedural rights at certain points in the enforcement process, including, but not limited to, the right to formal notice of violations, notice of an evidentiary hearing, the right to an evidentiary hearing, and a right to appeal. By entering into this Agreed Order, the Respondent agrees to waive all notice and procedural rights.

It is further understood and agreed that this Order represents the complete and fully-integrated settlement of the parties. The provisions of this Agreed Order are deemed severable and, if a court of competent jurisdiction or other appropriate authority deems any provision of this Agreed Order unenforceable, the remaining provisions shall be valid and enforceable. The duties and responsibilities imposed by this Agreed Order are binding upon the Respondent.

The Commission makes the following Findings of Fact and Conclusions of Law:

I. FINDINGS OF FACT

1. The Respondent owns and operates a chemical manufacturing plant at 4133 Highway 361 in Gregory, San Patricio County, Texas (the "Plant").

2. The Plant consists of one or more sources as defined in TEX. HEALTH & SAFETY CODE § 382.003(12).
3. During a record review on August 15, 2011, TCEQ staff documented the release of 8,400 pounds ("lbs") of vinyl chloride monomer, 74 lbs of hydrogen chloride, 50 lbs of acetylene, and 4 lbs of ethylene dichloride from the emergency vent scrubber system during an avoidable emissions event (Incident No. 153826) that began on April 27, 2011 and lasted for 54 minutes. The event was the result of a power loss to portions of the Vinyl Chloride Monomer Unit due to the incorrect operation of the distance protective relay on one of the Plant's transmission lines. The TCEQ has determined that the emissions event could have been avoided through better maintenance practices. This emissions event was determined to be excessive.
4. The Respondent received notice of the violations on December 3, 2011.
5. The Executive Director recognizes that the Respondent submitted a Corrective Action Plan ("CAP") on January 12, 2012 to address the emissions event (Incident No. 153826) that began on April 27, 2011.

II. CONCLUSIONS OF LAW

1. The Respondent is subject to the jurisdiction of the TCEQ pursuant to TEX. HEALTH & SAFETY CODE ch. 382 and TEX. WATER CODE ch. 7 and the rules of the Commission.
2. As evidenced by Findings of Fact No. 3, the Respondent failed to prevent unauthorized emissions, in violation of Federal Operating Permit No. 01240, Special Terms and Conditions No. 18, New Source Review Permit No. 19169, Special Conditions No. 1, 40 CODE OF FEDERAL REGULATIONS §§ 63.6(e) and 61.12(c), 30 TEX. ADMIN. CODE §§ 101.20(2) and 116.115(c), and TEX. HEALTH & SAFETY CODE § 382.085(b). Since this emissions event could have been avoided through better maintenance practices, the Respondent is precluded from asserting the affirmative defense under 30 TEX. ADMIN. CODE § 101.222.
3. Pursuant to TEX. WATER CODE § 7.051, the Commission has the authority to assess an administrative penalty against the Respondent for violations of the Texas Water Code and the Texas Health and Safety Code within the Commission's jurisdiction; for violations of rules adopted under such statutes; or for violations of orders or permits issued under such statutes.
4. An administrative penalty in the amount of Ten Thousand Dollars (\$10,000) is justified by the facts recited in this Agreed Order, and considered in light of the factors set forth in TEX. WATER CODE § 7.053. The Respondent has paid Five Thousand Dollars (\$5,000) of the administrative penalty. Five Thousand Dollars (\$5,000) shall be conditionally offset by the Respondent's completion of a Supplemental Environmental Project ("SEP").

III. ORDERING PROVISIONS

NOW, THEREFORE, THE TEXAS COMMISSION ON ENVIRONMENTAL QUALITY ORDERS that:

1. The Respondent is assessed an administrative penalty in the amount of Ten Thousand Dollars (\$10,000) as set forth in Section II, Paragraph 4 above, for violations of TCEQ rules and state statutes. The payment of this administrative penalty and the Respondent's compliance with all the terms and conditions set forth in this Agreed Order completely resolve the violations set forth by this Agreed Order in this action. However, the Commission shall not be constrained in any manner from requiring corrective actions or penalties for other violations that are not raised here. Administrative penalty payments shall be made payable to "TCEQ" and shall be sent with the notation "Re: Occidental Chemical Corporation, Docket No. 2011-2362-AIR-E" to:

Financial Administration Division, Revenues Section
Attention: Cashier's Office, MC 214
Texas Commission on Environmental Quality
P.O. Box 13088
Austin, Texas 78711-3088

2. The Respondent shall implement and complete a SEP in accordance with TEX. WATER CODE § 7.067. As set forth in Section II, Paragraph 4 above, Five Thousand Dollars (\$5,000) of the assessed administrative penalty shall be offset with the condition that the Respondent implement the SEP defined in Attachment A, incorporated herein by reference. The Respondent's obligation to pay the conditionally offset portion of the administrative penalty assessed shall be discharged upon final completion of all provisions of the SEP agreement.
3. The Respondent shall undertake the following technical requirements:
 - a. Respond completely and adequately, as determined by the Executive Director, to all written requests for information concerning the submitted CAP within 15 days after the date of such requests, or by any other deadline specified in writing;
 - b. Upon Commission approval, implement the CAP in accordance with the approved schedule;
 - c. Upon completion of CAP implementation, submit written certification to demonstrate compliance with Ordering Provision Nos. 3.a. and 3.b. as described in Ordering Provision No. 3.d.; and
 - d. Written certification shall include detailed supporting documentation including photographs, receipts, and/or other records to demonstrate compliance with

Ordering Provision No. 3.c. The certifications shall be notarized by a State of Texas Notary Public and include the following certification language:

"I certify under penalty of law that I have personally examined and am familiar with the information submitted and all attached documents, and that based on my inquiry of those individuals immediately responsible for obtaining the information, I believe that the submitted information is true, accurate and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment for knowing violations."

The certification shall be submitted to:

Order Compliance Team
Enforcement Division, MC 149A
Texas Commission on Environmental Quality
P.O. Box 13087
Austin, Texas 78711-3087

with a copy to:

Air Section, Manager
Corpus Christi Regional Office
Texas Commission on Environmental Quality
6300 Ocean Drive, Suite 1200
Corpus Christi, Texas 78412-5503

4. The provisions of this Agreed Order shall apply to and be binding upon the Respondent. The Respondent is ordered to give notice of the Agreed Order to personnel who maintain day-to-day control over the Plant operations referenced in this Agreed Order.
5. If the Respondent fails to comply with any of the Ordering Provisions in this Agreed Order within the prescribed schedules, and that failure is caused solely by an act of God, war, strike, riot, or other catastrophe, the Respondent's failure to comply is not a violation of this Agreed Order. The Respondent shall have the burden of establishing to the Executive Director's satisfaction that such an event has occurred. The Respondent shall notify the Executive Director within seven days after the Respondent becomes aware of a delaying event and shall take all reasonable measures to mitigate and minimize any delay.
6. The Executive Director may grant an extension of any deadline in this Agreed Order or in any plan, report, or other document submitted pursuant to this Agreed Order, upon a written and substantiated showing of good cause. All requests for extensions by the Respondent shall be made in writing to the Executive Director. Extensions are not effective until the Respondent receives written approval from the Executive Director. The determination of what constitutes good cause rests solely with the Executive Director.

7. The Executive Director may refer this matter to the Office of the Attorney General of the State of Texas ("OAG") for further enforcement proceedings without notice to the Respondent if the Executive Director determines that the Respondent has not complied with one or more of the terms or conditions in this Agreed Order.
8. This Agreed Order shall terminate five years from its effective date or upon compliance with all the terms and conditions set forth in this Agreed Order, whichever is later.
9. This Agreed Order, issued by the Commission, shall not be admissible against the Respondent in a civil proceeding, unless the proceeding is brought by the OAG to: (1) enforce the terms of this Agreed Order; or (2) pursue violations of a statute within the Commission's jurisdiction, or of a rule adopted or an order or permit issued by the Commission under such a statute.
10. This Agreed Order may be executed in separate and multiple counterparts, which together shall constitute a single instrument. Any page of this Agreed Order may be copied, scanned, digitized, converted to electronic portable document format ("pdf"), or otherwise reproduced and may be transmitted by digital or electronic transmission, including but not limited to facsimile transmission and electronic mail. Any signature affixed to this Agreed Order shall constitute an original signature for all purposes and may be used, filed, substituted, or issued for any purpose for which an original signature could be used. The term "signature" shall include manual signatures and true and accurate reproductions of manual signatures created, executed, endorsed, adopted, or authorized by the person or persons to whom the signatures are attributable. Signatures may be copied or reproduced digitally, electronically, by photocopying, engraving, imprinting, lithographing, electronic mail, facsimile transmission, stamping, or any other means or process which the Executive Director deems acceptable. In this paragraph exclusively, the terms "electronic transmission", "owner", "person", "writing", and "written" shall have the meanings assigned to them under TEX. BUS. ORG. CODE § 1.002.
11. The Chief Clerk shall provide a copy of this Agreed Order to each of the parties. By law, the effective date of this Agreed Order is the third day after the mailing date, as provided by 30 TEX. ADMIN. CODE § 70.10(b) and TEX. GOV'T CODE § 2001.142.

SIGNATURE PAGE

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

For the Commission


For the Executive Director

6/18/12
Date

I, the undersigned, have read and understand the attached Agreed Order in the matter of Occidental Chemical Corporation. I am authorized to agree to the attached Agreed Order on behalf of Occidental Chemical Corporation, and do agree to the specified terms and conditions. I further acknowledge that the TCEQ, in accepting payment for the penalty amount, is materially relying on such representation.

I understand that by entering into this Agreed Order, Occidental Chemical Corporation waives certain procedural rights, including, but not limited to, the right to formal notice of violations addressed by this Agreed Order, notice of an evidentiary hearing, the right to an evidentiary hearing, and the right to appeal. I agree to the terms of the Agreed Order in lieu of an evidentiary hearing. This Agreed Order constitutes full and final adjudication by the Commission of the violations set forth in this Agreed Order.

I also understand that failure to comply with the Ordering Provisions, if any, in this order and/or failure to timely pay the penalty amount, may result in:

- A negative impact on compliance history;
- Greater scrutiny of any permit applications submitted;
- Referral of this case to the Attorney General's Office for contempt, injunctive relief, additional penalties, and/or attorney fees, or to a collection agency;
- Increased penalties in any future enforcement actions;
- Automatic referral to the Attorney General's Office of any future enforcement actions; and
- TCEQ seeking other relief as authorized by law.

In addition, any falsification of any compliance documents may result in criminal prosecution.


Signature

3/5/2012
Date

Thomas F. Feeney

Name (Printed or typed)
Authorized Representative of
Occidental Chemical Corporation

Sr. V.P. Manufacturing, Eng & Technology

Title

Instructions: Send the original, signed Agreed Order with penalty payment to the Financial Administration Division, Revenues Section at the address in Section II, Paragraph i of this Agreed Order.

Attachment A
Docket Number: 2011-2362-AIR-E

SUPPLEMENTAL ENVIRONMENTAL PROJECT

Respondent:	Occidental Chemical Corporation
Penalty Amount:	Ten Thousand Dollars (\$10,000)
SEP Offset Amount:	Five Thousand Dollars (\$5,000)
Type of SEP:	Pre-approved
Third-Party Recipient:	Texas A&M University-Corpus Christi
Project Name:	Texas A&M University AutoCheck Program
Location of SEP:	Nueces and San Patricio Counties

The Texas Commission on Environmental Quality ("TCEQ") agrees to offset the Penalty Amount assessed in this Agreed Order for the Respondent to contribute to a Supplemental Environmental Project ("SEP"). The offset is equal to the SEP Offset Amount set forth above and is conditioned upon completion of the project in accordance with the terms of this Attachment A.

1. Project Description

a. Project

The Respondent shall contribute the SEP Offset Amount to the Third-Party Recipient named above. The contribution will be to the *Texas A&M University-Corpus Christi* for the *Texas A&M University-Corpus Christi AutoCheck Program SEP* to be used as set forth in an agreement between the Third-Party Recipient and the TCEQ (the "Project"). Specifically the SEP Offset Amount shall be used to only pay for the repair vouchers, equipment maintenance, mobile emission source inventory, and a program operator. The operator shall only work on the AutoCheck Program. The Project involves a remote sensing system that detects polluting vehicles as they drive past the system. Motorists are informed if their vehicles are polluting via a large electronic sign. When a vehicle is found to have high exhaust emissions, the owner is given a voucher to take the vehicle for a checkup at one of the program's certified auto shops. The vehicle owner may choose the approved auto shop from a list composed by the Third-Party Recipient. Mechanics at the auto shop thoroughly check the vehicle and determine the problem. The mechanic reports the problem to the Third-Party Administrator who authorizes the recommended repairs. Once the vehicle is repaired, a post-repair test is conducted to document the reduction in emissions. These activities are performed at no cost to the owner of the vehicle. Pre- and post- emissions tests are performed and tracked and the service stations are reimbursed for their expenses.

Occidental Chemical Corporation
Agreed Order - Attachment A

All dollars contributed will be used solely for the direct cost of the Project and no portion will be spent on administrative costs. The SEP will be done in accordance with all federal, state and local environmental laws and regulations.

The Respondent's signature affixed to this Agreed Order certifies that it has no prior commitment to make this contribution and that it is being contributed solely in an effort to settle this enforcement action.

b. Environmental Benefit

This SEP will provide a discernible environmental benefit by providing a direct reduction in air emissions from vehicles in the Corpus Christi Urban Air Shed. This direct area includes Nueces County and part of San Patricio County.

c. Minimum Expenditure

The Respondent shall contribute at least the SEP Offset Amount to the Third-Party Recipient and comply with all other provisions of this SEP.

2. Performance Schedule

Within 30 days after the effective date of this Agreed Order, the Respondent shall contribute the SEP Offset Amount to the Third-Party Recipient. The Respondent shall mail the contribution, with a copy of the Agreed Order to:

Texas A&M University - Corpus Christi
Pollution Prevention Partnership
Attention: Gretchen Arnold
6300 Ocean Drive, NRC #2200
Corpus Christi, Texas 78412

3. Records and Reporting

Concurrent with the payment of the SEP Offset Amount, the Respondent shall provide the TCEQ Enforcement Division SEP Coordinator with a copy of the check and transmittal letter indicating full payment of the SEP Offset Amount to the Third-Party Recipient. The Respondent shall mail a copy of the check and transmittal letter to:

Texas Commission on Environmental Quality
Enforcement Division
Attention: SEP Coordinator, MC 219
P.O. Box 13087
Austin, Texas 78711-3087

4. Failure to Fully Perform

If the Respondent does not perform its obligations under this SEP in any way, including full payment of the SEP Offset Amount and submittal of the required reporting described in Section 3 above, the Executive Director may require immediate payment of all or part of the SEP Offset Amount.

In the event of incomplete performance, the Respondent shall submit a check for any remaining amount due made payable to "Texas Commission on Environmental Quality" with the notation "SEP Refund" and the docket number of the case, and shall mail it to:

Texas Commission on Environmental Quality
Office of Legal Services
Attention: SEP Coordinator, MC 175
P.O. Box 13087
Austin, Texas 78711-3087

5. Publicity

Any public statements concerning this SEP made by or on behalf of the Respondent must include a clear statement that the Project was performed as part of the settlement of an enforcement action brought by the TCEQ. Such statements include advertising, public relations, and press releases.

6. Clean Texas Program

The Respondent shall not include this SEP in any application made to TCEQ under the "Clean Texas" (or any successor) program(s). Similarly, the Respondent may not seek recognition for this contribution in any other state or federal regulatory program.

7. Other SEPs by TCEQ or Other Agencies

The SEP Offset Amount identified in this Agreed Order has not been, and shall not be, included as a SEP for the Respondent under any other Agreed Order negotiated with the TCEQ or any other agency of the state or federal government.